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CONTRACT PERSONNEL DIVISION

ANNUAL REPORT

For the Period 1 July 1955 to 30 June 1956

SECTION 1. Major Accomplishments and Significant Developments
During FY1956

I. Workload Statistics.

A. Contract Personnel.

As of the end of the reporting period, the Division had on record approximately [REDACTED] individuals under contract, broken down into the seven contract categories. Approximately [REDACTED] new contracts were prepared by the Division during the period and approximately [REDACTED] contract amendments were prepared and executed during the period, including approximately [REDACTED] Social Security amendments. In accordance with established procedures, the Division also received and reviewed during the period approximately [REDACTED] contracts written and executed in the field.

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B. Staff Agents.

As of the end of the reporting period, the Division had on record [REDACTED] Staff Agents, [REDACTED] less than at the end of last Fiscal Year. During the period, the Division processed [REDACTED] Staff Agent personnel actions, including approximately 310 periodic step-increase actions. Despite the decrease in the number of Staff Agents, it is noted that the number of actions has increased proportionally.

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C. Military Details.

There were [REDACTED] active Military Details as of the end of the reporting period, including approximately [REDACTED] with Letters of Authorization. During the period, [REDACTED] Letters of Authorization were prepared and executed for Military Details, and [REDACTED] Letters required amendment.

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Section 1

- 2 -

D. Allowances.

25X9A2 As of the end of the reporting period, the Division had on
25X9A2 record [redacted] individuals drawing equalization allowances. During
25X9A2 the period, [redacted] new equalization allowances were authorized and
25X9A2 [redacted] such allowances were revised. Also, [redacted] contract agents 25X9A2
were authorized additional compensation in lieu of allowances.
25X9A2 [redacted] separation allowances were authorized during the
period. At the end of the period there were 12 posts classified
for allowances by the Agency.

E. Miscellaneous Agreements.

25X9A2 [redacted] special agreements were prepared during
the period and certain of these required amendment.

II. Non-statistically, the following items required considerable staff
time during the year:

A. Processing social security amendments for U.S. citizen
contract employees, who acquired eligibility under the Social
Security Amendments of 1955.

B. Processing compensation changes for contract personnel who
were deemed entitled to increases similar to the legislative increases
for staff personnel.

25X9A2 C. Reviewing [redacted] contract agent cases involving allowance pay-
ments, and processing amendments as required by the operating
components to provide additional compensation to offset the
increased tax liability resulting from an opinion of the General
Counsel that such payments are taxable.

D. Furnishing support to Project Aquatone in the form of contracts
and Letters of Authorization.

E. Attending Administrative Plan meetings and reviewing and
coordinating on proposed Administrative Plans and changes thereto.

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Section 1

- 3 -

III. Except for the Agency Regulations on the Education Allowance and the Home Service Transfer Allowance, Fiscal Year 1956 did not see any substantial progress made on the proposed regulations relating to the functions of CPD. The following Regulations are still needed and are still "in process": R [REDACTED] (Contract Employees), R [REDACTED] (Independent Contractors), [REDACTED] (Staff Agents), [REDACTED] (Allowances).

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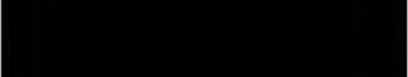

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SECTION 2. Objectives for FY1957 and Status of Current Program

I. A primary objective for FY1957 involves the publication of the as yet unpublished regulations relating to the functions of CPD, as follows:

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- A.  regulations on Contract Personnel
 - B.  regulations on Standardized Allowances
 - C.  regulations on Staff Agent Personnel

II. Another objective for FY1957 involves the development and presentation to the operating components for their consideration of certain proposals relating to retirement and insurance coverage for contract agents who represent long term assets. Serious thinking on these matters commenced on FY 1956 and is expected to result in the making of concrete proposals early in FY1957.

III. A continuing objective of CPD involves participation in the educational task of advising Case Officers and other interested personnel of the policies and procedures relating to personal services contracts. This objective will be pursued through any media which are open to us.

IV. Another objective for FY1957 is the implementation of the Educational Travel Grant policy recently approved by the Director, and also the implementation of a new Standardized Allowance referred to as the "Supplementary Post Allowance", which is expected to be approved by the State Department at an early date.

V. Another obvious continuing objective of CPD involves the more effective handling of "routine" matters such as the processing of contracts, Staff Agent actions, LOA's etc. Projecting actual workload statistics for FY1957 and FY1958 is, however, a difficult matter in view of the fact that CPD must process those cases or actions which are referred to it, regardless of the volume. Nevertheless, our estimate of the future workload for FY1957

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Section 2

- 2 -

would entail no decrease and a possible increase in the volume of contract work, a probable increase in the volume of LOA's for Military Details and a slight intensification of activity in the allowance field. It is difficult to estimate with any exactness the future workload on Staff Agents because of the study which has recently been made. It is possible, however, that there could be a decrease in the total number of Staff Agents, but it is believed that, as far as CPD is concerned, any possible saving in manpower would be offset by the increased personalized attention which would be given to the remaining Staff Agents.

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SECTION 3. Program Outlook for FY1958

The outlook for FY1958 is for a continuation of the present functions, with possible changes in emphasis only. As for actual workload, the estimate set forth in paragraph V of Section 2 is the best that can be made at this time. It is reasonable to anticipate, however, that as more Agency personnel become skilled in the policies and procedures relating to CPD functions, more of the CPD staff time can be devoted to the "finer points", such as benefits for long-term agents and other agent-type problems.

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